TESTIMONY OF
JAMES P. GRIFFIN, Ph.D.
CHAIR, PUBLIC UTILITIES COMMISSION
STATE OF HAWAII

TO THE
HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE

February 10, 2020
2:00 p.m.

Chair Takumi and Members of the Committee:

MEASURE: H.B. No. 1520 HD1
TITLE: RELATING TO ENERGY EFFICIENCY.

DESCRIPTION: Requires energy consumption benchmarking for all nonresidential buildings. Requires disclosure of resulting, anonymized and aggregated benchmarking data to a prospective property buyer, lessee, or lender.

POSITION:

The Public Utilities Commission offers the following comments for consideration.

COMMENTS:

The Public Utilities Commission ("Commission") is supportive of policies that enable customers to have greater access to their energy consumption data. In addition, the Commission is supportive of low-cost ways to drive energy efficiency savings, including energy benchmarking and increased transparency regarding energy usage in buildings.

The Commission works closely with the Public Benefits Fee Administrator ("Hawaii Energy"), which provides energy efficiency services to customers of the Hawaiian Electric Companies on the islands of Hawaii, Lanai, Maui, Molokai, and Oahu, to develop new energy efficiency programs and incentives. In addition, issues related to electricity data access and privacy have been raised in the context of the Hawaiian Electric Companies' Grid Modernization project application (see Docket No. 2018-0141).

However, the Commission observes that there are certain provisions in the proposed

measure which may create challenges with implementation. For example, the term "portfolio management tool" is defined as "the United States Environmental Protection Agency's ENERGY STAR portfolio manager or an equivalent tool adopted by the energy resources coordinator."

While the Commission regulates electric and gas utilities, it is unclear how the requirements regarding the adoption of a portfolio management tool by the energy resources coordinator would be implemented, absent additional legislative guidance. Furthermore, there is uncertainty regarding the cost and timeline required to integrate electric and gas utility billing systems with the proposed portfolio management tool to enable secure flow of data.

Thank you for the opportunity to testify on this measure.

HAWAII STATE ENERGY OFFICE
STATE OF HAWAII

DAVID Y. IGE
GOVERNOR

SCOTT J. GLENN
CHIEF ENERGY OFFICER

235 South Beretania Street, 5TH Floor, Honolulu, HI 96813 | energy.hawaii.gov

(808) 587-3807

Testimony of
SCOTT J. GLENN, Chief Energy Officer

before the
HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
Monday, February 10, 2020
2:00 PM
State Capitol, Conference Room 329

In SUPPORT of
HB 1520, HD1
RELATING TO ENERGY EFFICIENCY.

Chair Takumi, Vice Chair Ichiyama, and members of the Committee. The Hawaii State Energy Office (HSEO) supports HB 1520, HD1, which requires energy consumption benchmarking for all nonresidential buildings as well as disclosure of resulting anonymized and aggregated benchmarking data to a prospective property buyer, lessee, or lender.

Benchmarking measures a building's energy use against comparable buildings. Hawaii currently has policies in place to benchmark public facilities and buildings. For Hawaii to reach its clean energy goals, nonresidential properties also must be required to benchmark their buildings. This will allow nonresidential building owners to understand their building's energy performance and identify areas where energy can be saved. Improvements can then be made to lower the cost of operating the building. In doing so, energy consumption will decrease and thereby reduce the need for more generation capacity.

HSEO also believes that sharing benchmarking data can encourage the nonresidential buildings market to recognize and reward energy efficiency while creating a continuous cycle of improvement and demand for higher-performing buildings. HSEO supports benchmarking and data sharing, are aware of concerns regarding confidentiality, and support the measures in this draft that address this concern. HSEO is supportive of these measures and believes that this is all in alignment with the State's clean energy and decarbonization goals.

Thank you for the opportunity to testify.

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET, 9TH FLOOR • HONOLULU, HAWAIʻI 96813
PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

KIRK CALDWELL
MAYOR

JOSHUA W. STANBRO
EXECUTIVE DIRECTOR &
CHIEF RESILIENCE OFFICER

MONDAY, FEBRUARY 10, 2020, 2:00 PM

STATE OF HAWAIʻI
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON HOUSE BILL 1520 HD1
RELATING TO ENERGY EFFICIENCY

BY,

JOSHUA STANBRO
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Takumi and Members of the Committee:

The City and County of Honolulu ("City") Office of Climate Change, Sustainability and Resiliency **strongly supports the intent** of HB1520 HD1, which supports energy efficiency improvements in non-residential buildings by establishing energy benchmarking disclosure and transparency standards in the State of Hawaiʻi.

Energy use in buildings accounts for 36% of greenhouse gas emissions on Oʻahu and energy waste imposes a significant economic burden on residents and businesses due to high electricity and energy costs. The State of Hawaiʻi has been a leader in establishing energy efficiency programs that can help mitigate this source of carbon pollution and financial hardship. The development of an energy benchmarking program is a critical step to help building owners and managers, tenants, and policymakers at the State and municipal level identify measures to reduce energy use and contribute to our overall energy efficiency, renewable energy, and climate resilience priorities. Maximizing low-cost energy conservation measures in our existing built environment will allow us to achieve our aggressive renewable energy system goals in the most efficient and equitable manner, and avoid building more renewable energy projects and infrastructure than absolutely required to meet our needs.

Notwithstanding our support for the intent of the current draft, the City offers the attached proposed HB1520 HD2, which was developed in coordination with the Counties of Hawaiʻi, Kauaʻi, and Maui, and other interested stakeholders.

The main differences between the current HD1 and our jointly proposed HD2 are:

1. Changing the data transparency standard from “15 by 15” to “4 by 50.” The “15 by 15” standard means that the dataset is considered anonymized if it consists of at least 15 tenants of a building and each of those tenants make up no more than 15% of the total electrical load of the building. The "4 by 50" standard means that the dataset consists of at least four tenants of a building and no single account makes up more than 50% of the total electrical load of the building. According to national best practices and our analysis, the “15 by 15” standard significantly diminish the usefulness and viability of the benchmarking program;

2. Adding a “Green Button Connect My Data Standard,” which is a best practice national protocol that allows utility customers to voluntarily opt-in to sharing their data through an energy benchmarking or transparency program;

3. Establishing a “building performance reporting system” managed by the PUC or its designee to manage statewide energy benchmarking data and analytics, and an energy benchmarking dashboard; and

4. Requiring buildings over 50,000 square feet to report benchmarking data through the portfolio management tool by January 1, 2022 and buildings over 25,000 square feet by January 1, 2023.

These changes are important, fundamental building blocks for an efficient and effective building energy benchmarking program, and leverage existing State resources to bring consistency to the field. The State’s energy efficiency programs provide the most sensible and effective platform for these resources to be established. Utilizing the existing resources of the State will lower overall costs and improve the reach, viability, and impact of the program. Effective energy conservation in our existing built environment is essential. If we don't pursue a statewide energy benchmarking program, we don’t believe it’s possible to reach our 100% RPS or carbon neutrality goal by 2045.

Thank you for the opportunity to offer comments on this draft and to testify in support of establishing an energy benchmarking program and a clear, transparent energy data standard for the State of Hawai‘i, which in turn will provide consistency and clarity for all four counties as we work to support the state’s energy efficiency and renewable energy goals.

HOUSE OF REPRESENTATIVES
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

H.B. NO. 1520 Proposed HD2

RELATING TO ENERGY EFFICIENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that improving energy efficiency is the cheapest, quickest, and cleanest way to accelerate Hawaii's transition to one hundred per cent renewable energy. Hawaii's buildings and facilities offer enormous opportunities for energy savings, yet the potential for savings is not readily apparent through current disclosure and information sharing requirements.

The legislature finds that Hawaii can accelerate progress toward its goals relating to clean energy, economic security, and greenhouse gas emission reduction by expanding the State's building energy benchmarking and energy consumption disclosure requirements beyond residential and public buildings. Building energy benchmarking is a useful starting point for commercial building owners and operators to target energy savings opportunities. Building energy benchmarking is the process of comparing a facility's energy usage against facilities of a similar type or function to identify opportunities for savings.

Hawaii is already a leader in driving energy transparency in single-family housing pursuant to the State's residential energy-

use disclosure policy, set forth in section 508D-10.5, Hawaii Revised Statutes. Hawaii previously adopted benchmarking policies for public facilities and buildings, as provided in section 196-30, Hawaii Revised Statutes. The State recently completed a successful benchmarking project for public buildings with the support of the United States Department of Energy's state energy program. Between 2014 and 2016, the State benchmarked four hundred sixteen public facilities, including facilities that encompass multiple buildings, such as universities. This benchmarking involved more than two thousand six hundred buildings and covered more than twenty-nine million square feet. The benchmarking project found potential for all state agencies to save more than fifty-six million kilowatt hours annually. Using current electricity rates, this potential savings is equivalent to more than $25,000,000.

The legislature finds that this transparency and visibility into the potential for savings should be extended to commercial properties in the State. Leading states, such as California and Washington, have already extended their benchmarking policies beyond public buildings to include commercial buildings. Benchmarking the energy use of this sector with regular measurement and disclosures has clear benefits for many stakeholders. Building owners understand how much gas and electricity their properties use and they may take steps to reduce wasted energy, helping to lower energy costs and stay

competitive. Benchmarking data helps to fill an information gap for commercial real estate firms and investors, providing everyone with access to the same information. For tenants, benchmarking and disclosure provide valuable data to better understand energy use and make informed decisions.

The purpose of this Act is to encourage energy efficiency by requiring benchmarking for commercial buildings.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"**§269- Commercial building benchmarking.** (a) After December 31, 2020, electric and gas utilities shall maintain records of the energy consumption data of all commercial buildings to which they provide service. This data shall be reported to the commission, or its designee, and maintained for at least the most recent twenty-four months in a format compatible for use with the portfolio management tool.

(b) After July 1, 2021, upon written authorization or secure electronic authorization of a commercial building owner or operator, the commission or its designee shall provide the aggregated energy consumption data from benchmarking for use in the portfolio management tool for the accounts specified by the owner or operator, provided that data conforms to the rule of 4/50.

(c) After July 1, 2021, upon written authorization or secure

electronic authorization of a commercial building owner or operator, the commission or its designee shall provide the non-anonymized energy consumption data from benchmarking to any utility serving a covered property or to any federal, state, county or city-managed agency or department provided that the data will be used only for purposes of offering programs, services, or incentives related to energy and water efficiency and management, or for the purpose of administering a building energy benchmarking, energy efficiency, or carbon reduction program, ordinance, or law. Where the commercial building owner's or operator's permission can be authorized electronically through a default option, the commission shall provide a clearly delineated option for owners of commercial buildings to opt out of granting this permission unless required to report energy benchmarking data by law or ordinance.

(d) The commission or its designee may disclose data from benchmarking submissions to a third party for academic or other non-commercial research purposed provided that data conforms to the rule of 4/50.

(e) In complying with this section, the commission or its designee shall create the components of a building performance reporting system. The building performance reporting system's primary functional areas shall include but not be limited to:

(1) Building energy database, which includes all necessary functions to handle the creation, collection, and

storage of information related to the physical and operating characteristics of buildings, including energy and water consumption data;

(2) Customer relationship management, which includes all necessary functions for managing the information and processes related to the people associated with each of the properties in the building database;

(3)Building energy dashboard, which is a publicly-accessible, interactive, and internet-based interface to the building performance reporting system that displays benchmarking data and analytics; and

(4)Auxiliary functions, which are all supervisory and administrative functions necessary to maintain and operate the building performance reporting system as well as reporting and presentation of the data.

(f) In addition to the development of a building performance reporting system, the commission shall direct the utilities under its jurisdiction to implement the Green Button Connect My Data standard to enable utility customers statewide to easily and securely share their data with service providers of their choosing.

(g) Disclosure of nonpublic commercial benchmarking data required under subsections (h) and (i) of this section shall be as follows:

(1) By January 1, 2022, for buildings greater than

fifty thousand square feet; and

(2) By January 1, 2023, for buildings greater than twenty-five thousand square feet.

(h) Based on the size specifications in subsection (g), a building owner or operator, or a designated agent of a building owner or operator, of a commercial building shall disclose the benchmarking data to a prospective buyer, lessee, or lender for the most recent continuously occupied twelve-month period. A building owner or operator, or a designated agent, who delivers benchmarking data to a prospective buyer, lessee, or lender is not required to provide additional information regarding energy consumption, and the information is deemed to be adequate to inform the prospective buyer, lessee, or lender of the benchmarking data for the most recent twelve-month period for the building that is being sold, leased, financed, or refinanced.

(i) Based on the size specifications in subsection (g), building owners or operators shall report building energy benchmarking data, as defined in Section 3, into the portfolio management tool on an annual basis on a date determined by the commission.

(j) Notwithstanding subsections (g),(h), and (i) nothing in this section shall alter the duty, if any, of a building owner, operator, or designated agent of any building owner or operator, under this chapter or alter the duty of a seller, agent, or broker to disclose the existence of a material fact affecting the

real property.

SECTION 3. Section 269-1, Hawaii Revised Statutes, is amended by adding four new definitions to be appropriately inserted and to read as follows:

""Benchmark" means the energy used by a facility, as recorded monthly for at least one year, and the facility characteristics information inputs required for a portfolio management tool.

"Energy consumption data" means the monthly amount of energy consumed by a customer as recorded by the applicable energy meter for the most recent twelve-month period.

"Portfolio management tool" means the United States Environmental Protection Agency's ENERGY STAR portfolio manager or an equivalent tool adopted by the energy resources coordinator.

"Rule of 4/50" means a data set is considered anonymized if it consists of at least four individual accounts, and no one account represents more than fifty percent of the total load. The commercial building owner or operator may only receive the data with tenant consent.

"Building energy benchmarking data" means energy consumption data as defined in this section and descriptive information including, at a minimum, property address, primary use, gross floor area, number of floors, date constructed, and individual or entity responsible for reporting into the portfolio management

tool.

"Green Button Connect My Data Standard" means the energy - industry standard for enabling easy access to, and secure sharing of, utility-customer energy-and water-usage data.

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2020.

Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director

Kay Fukumoto
Economic Development Director

County of Maui
Office of Economic Development
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

February 08, 2020

TESTIMONY OF CHANA MAKALE'A DUDOIT ANE
OFFICE OF ECONOMIC DEVELOPMENT, ENVIRONMENTL COORDINATOR
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

HB1520 RELATING TO ENERGY EFFICIENCY
The Honorable Roy Takumi, Chair
The Honorable Linda Ichiyama
Honerable Members of the House Committee on Consumer Protection & Commerce

The County of Maui **strongly supports the intent** of **HB1520 HD1**, which is to support energy efficiency improvements in non-residential buildings by establishing energy benchmarking disclosure and transparency standards in the State of Hawai'i.

The State of Hawai'i has led by example in establishing energy efficiency programs that mitigate this source of carbon pollution and financial hardship. The development of an energy benchmarking program will help building owners and managers, tenants, and policymakers at the State and municipal level to identify measures to reduce energy use and contribute to our overall energy efficiency, renewable energy, and climate resilience priorities. Maximizing low-cost energy conservation measures in our existing built environment will allow us to achieve our aggressive energy system goals in the most efficient and equitable manner.

Notwithstanding its support for the intent of the current draft, please consider thge proposed revisions **HB1520 HD2**, which is developed in coordination with the City and County of Honolulu, Counties of Hawai'i, Kaua'i, and Maui, and other interested stakeholders. A summary of these changes include:

- Changing the data transparency standard from "15 by 15" to a "4 by 50". The "15 by 15" standard means that the dataset is considered anonymized if it consists of at least 15 members of a building and each of those members make up no more than 15% of the total electrical load. The "4 by 50" standard means that the dataset consists of at least 4 members and no single account makes up more than 50% of electrical load. The "15 by 15" standard is overly restrictive which significantly diminish the usefulness and viability of the benchmarking program;

- Addition of the "Green Button Connect My Data Standard" which is a best practice protocol that allows utility customers to voluntarily opt-in to energy data, transparency, and benchmarking standards;
- Establishment of a "building performance reporting system" managed by the PUC or its designee to manage statewide energy benchmarking data and analytics, and an energy benchmarking dashboard; and,
- Requirement for buildings over 50,000 square feet to report benchmarking data through the portfolio management tool by January 1, 2022 and buildings over 25,000 square feet by January 1, 2023.

(See testimony submitted by the C&C of Honolulu‘s Office of Climate Change, Sustainability, and Resiliency for proposed revisions HB1520 HD2)

Thank you for the opportunity to offer our comments on this draft and to testify in support of an energy benchmarking program for the State of Hawai‘i.

Sincerely,

Chana Makale‘a Dudoit Ane
Environmental Coordinator
County of Maui
Office of Economic Development

OFFICE OF ECONOMIC DEVELOPMENT
THE COUNTY OF KAUA'I

DEREK S. K. KAWAKAMI, MAYOR
MICHAEL A. DAHILIG, MANAGING DIRECTOR

ROBBIE MELTON
DIRECTOR

Testimony of Ben Sulllivan
Energy & Sustainability Coordinator, Office of Economic Development

Before the
House Committee on Consumer Protection and Commerce
February 10, 2020; 2:00 pm
Conference Room 329

In consideration of
House Bill 1520 HD1 Relating to Energy Efficiency

Honorable Chair Takumi, Vice Chair Ichiyama, and Members of the committee,

The County of Kauai **supports** the intent of HB 1520 HD1, which requires energy consumption benchmarking for all nonresidential buildings and disclosure of resulting, anonymized and aggregated benchmarking data to a prospective property buyer, lessee, or lender. The County further submits proposed draft HB 1520 HD2 developed in collaboration with the four Counties and other stakeholders.

A large portion of greenhouse gas emissions in Hawaii result from energy consumption in buildings. Given our statewide commitments to reduce these emissions, there is ample reason for policy makers to focus in this area. Commercial building benchmarking has been proven as a low-cost, effective solution to increasing efficiency across the entire building stock of a given jurisdiction. In years past, some of the arguments against such programs were (1) to protect privacy, (2) to avoid placing undue reporting burden on building owners, and (3) to avoid adding costs to ratepayers for establishing reporting systems.

Early benchmarking programs were somewhat clumsy and placed an administrative burden on building owners by requiring them to manually input their energy use into benchmarking tools such as *Energy Star Portfolio Manager*. This required staff from each commercial facility to create a *Portfolio Manager* account, learn the *Portfolio Manager* interface and data input formats, and to periodically track down paper energy bills and hand enter the associated data. By developing a statewide *Building Performance Reporting System* and requiring standardized utility data transfer, we can create a user friendly, secure reporting system that greatly reduces the burden to facility owners by reducing their task to simply digitally authorizing the movement of their data. Such a system benefits Hawaii's ratepayers far in excess of the cost to set it up.

Another aspect of this legislation is to establish aggregate thresholds for utility data sharing that protects consumer privacy while allowing appropriate data access to inform efficiency programs, policy development, and other strategic actions to reduce energy use and associated GHG

emissions. The attached HD2 proposes the rule of 4/50 which means a data set is considered anonymized if it consists of at least four individual accounts, and no one account represents more than fifty percent of the total load.

Under this proposed draft attached, the combined economic and environmental benefits of improved data access are realized without compromising privacy or burdening ratepayers. We thank you for your leadership in implementing this important policy for Hawaii.

HOUSE OF REPRESENTATIVES
THIRTIETH LEGISLATURE, 2019
STATE OF HAWAII

H.B. NO. 1520 Proposed HD2

RELATING TO ENERGY EFFICIENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that improving energy efficiency is the cheapest, quickest, and cleanest way to accelerate Hawaii's transition to one hundred per cent renewable energy. Hawaii's buildings and facilities offer enormous opportunities for energy savings, yet the potential for savings is not readily apparent through current disclosure and information sharing requirements.

The legislature finds that Hawaii can accelerate progress toward its goals relating to clean energy, economic security, and greenhouse gas emission reduction by expanding the State's building energy benchmarking and energy consumption disclosure requirements beyond residential and public buildings. Building energy benchmarking is a useful starting point for commercial building owners and operators to target energy savings opportunities. Building energy benchmarking is the process of comparing a facility's energy usage against facilities of a similar type or function to identify opportunities for savings.

Hawaii is already a leader in driving energy transparency in single-family housing pursuant to the State's residential energy-use disclosure policy, set forth in section 508D-10.5, Hawaii Revised Statutes. Hawaii previously adopted benchmarking policies for public facilities and buildings, as provided in section 196-30, Hawaii Revised Statutes. The State recently completed a successful benchmarking project for public buildings with the support of the United States Department of Energy's state energy program. Between 2014 and 2016, the State benchmarked four hundred sixteen public facilities, including facilities that encompass multiple buildings, such as universities. This benchmarking involved more than two thousand six hundred buildings and covered more than twenty-nine million square feet. The benchmarking project found potential for all state agencies to save more than fifty-six million kilowatt hours annually. Using current electricity rates, this potential savings is equivalent to more than $25,000,000.

The legislature finds that this transparency and visibility into the potential for savings should be extended to commercial properties in the State. Leading states, such as California and Washington, have already extended their benchmarking policies beyond public buildings to include commercial buildings. Benchmarking the energy use of this sector with regular measurement and disclosures has clear benefits for many

stakeholders. Building owners understand how much gas and electricity their properties use and they may take steps to reduce wasted energy, helping to lower energy costs and stay competitive. Benchmarking data helps to fill an information gap for commercial real estate firms and investors, providing everyone with access to the same information. For tenants, benchmarking and disclosure provide valuable data to better understand energy use and make informed decisions.

The purpose of this Act is to encourage energy efficiency by requiring benchmarking for commercial buildings.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"**§269- Commercial building benchmarking.** (a) After December 31, 2020, electric and gas utilities shall maintain records of the energy consumption data of all commercial buildings to which they provide service. This data shall be reported to the commission, or its designee, and maintained for at least the most recent twenty-four months in a format compatible for use with the portfolio management tool.

(b) After July 1, 2021, upon written authorization or secure electronic authorization of a commercial building owner or operator, the commission or its designee shall provide the aggregated energy consumption data from benchmarking for use in

the portfolio management tool for the accounts specified by the owner or operator, provided that data conforms to the rule of 4/50.

(c) After July 1, 2021, upon written authorization or secure electronic authorization of a commercial building owner or operator, the commission or its designee shall provide the non-anonymized energy consumption data from benchmarking to any utility serving a covered property or to any federal, state, county or city-managed agency or department provided that the data will be used only for purposes of offering programs, services, or incentives related to energy and water efficiency and management, or for the purpose of administering a building energy benchmarking, energy efficiency, or carbon reduction program, ordinance, or law. Where the commercial building owner's or operator's permission can be authorized electronically through a default option, the commission shall provide a clearly delineated option for owners of commercial buildings to opt out of granting this permission unless required to report energy benchmarking data by law or ordinance.

(d) The commission or its designee may disclose data from benchmarking submissions to a third party for academic or other non-commercial research purposed provided that data conforms to the rule of 4/50.

(e) In complying with this section, the commission or its designee shall create the components of a building performance reporting system. The building performance reporting system's primary functional areas shall include but not be limited to:

(1) Building energy database, which includes all necessary functions to handle the creation, collection, and storage of information related to the physical and operating characteristics of buildings, including energy and water consumption data;

(2) Customer relationship management, which includes all necessary functions for managing the information and processes related to the people associated with each of the properties in the building database;

(3)Building energy dashboard, which is a publicly-accessible, interactive, and internet-based interface to the building performance reporting system that displays benchmarking data and analytics; and

(4)Auxiliary functions, which are all supervisory and administrative functions necessary to maintain and operate the building performance reporting system as well as reporting and presentation of the data.

(f) In addition to the development of a building performance reporting system, the commission shall direct the utilities under its jurisdiction to implement the Green Button

Connect My Data standard to enable utility customers statewide to easily and securely share their data with service providers of their choosing.

(g) Disclosure of nonpublic commercial benchmarking data required under subsections (h) and (i) of this section shall be as follows:

(1) By January 1, 2022, for buildings greater than fifty thousand square feet; and

(2) By January 1, 2023, for buildings greater than twenty-five thousand square feet.

(h) Based on the size specifications in subsection (g), a building owner or operator, or a designated agent of a building owner or operator, of a commercial building shall disclose the benchmarking data to a prospective buyer, lessee, or lender for the most recent continuously occupied twelve-month period. A building owner or operator, or a designated agent, who delivers benchmarking data to a prospective buyer, lessee, or lender is not required to provide additional information regarding energy consumption, and the information is deemed to be adequate to inform the prospective buyer, lessee, or lender of the benchmarking data for the most recent twelve-month period for the building that is being sold, leased, financed, or refinanced.

(i) Based on the size specifications in subsection (g), building owners or operators shall report building energy benchmarking data, as defined in Section 3, into the portfolio management tool on an annual basis on a date determined by the commission.

(j) Notwithstanding subsections (g),(h), and (i) nothing in this section shall alter the duty, if any, of a building owner, operator, or designated agent of any building owner or operator, under this chapter or alter the duty of a seller, agent, or broker to disclose the existence of a material fact affecting the real property.

SECTION 3. Section 269-1, Hawaii Revised Statutes, is amended by adding four new definitions to be appropriately inserted and to read as follows:

""Benchmark" means the energy used by a facility, as recorded monthly for at least one year, and the facility characteristics information inputs required for a portfolio management tool.

"Energy consumption data" means the monthly amount of energy consumed by a customer as recorded by the applicable energy meter for the most recent twelve-month period.

"Portfolio management tool" means the United States Environmental Protection Agency's ENERGY STAR portfolio manager

or an equivalent tool adopted by the energy resources coordinator.

"Rule of 4/50" means a data set is considered anonymized if it consists of at least four individual accounts, and no one account represents more than fifty percent of the total load. The commercial building owner or operator may only receive the data with tenant consent.

"Building energy benchmarking data" means energy consumption data as defined in this section and descriptive information including, at a minimum, property address, primary use, gross floor area, number of floors, date constructed, and individual or entity responsible for reporting into the portfolio management tool.

"Green Button Connect My Data Standard" means the energy - industry standard for enabling easy access to, and secure sharing of, utility-customer energy-and water-usage data.

SECTION 4. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2020.

HB-1520-HD-1
Submitted on: 2/9/2020 10:38:44 AM
Testimony for CPC on 2/10/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Individual	Support	No

Comments:

Aloha Chair Takumi, Vice Chair Ichiyama, and Esteemed Members of the Committee on Consumer Protection and Commerce:

I write in support of House BIll 1520, House Draft 1.

This measure both will push energy waste by nonresidential buildings downwards with new benchmarks, and will also provide greater information for potential real estate buyers through the collection of anonymized and aggregated utility data.

I am in support of meeting our State Energy goals. We live in a climate emergy. One of the most tactical, intelligent ways that we can lead the world as a small state with a small population is by using our scarce resources to cut out the bloat of energy waste.

We incentivize energy waste as a society. Chiefly, we provide monstrous and corrupt federal subsidies to the oil and natural gas industries, billions of dollars from our nation. This glut of discounted energy disincentivizes energy conservation. There are also manifold technical and other financial disincentives against infrastructure maintenance, monitoring and other facets of energy conservation.

To restrict nonresidential building consumption is therefore a countermeasure with a reasonable chance of success, given our smaller span of control as an island state.

I also support providing more transparency to purchasers of real property. Through the standards set forth in this measure, such data would be anonymized and aggregated to protect the privacy of individual energy consumers.

I thank Representative Saiki for introducing this measure. Please pass HB1520 HD1.

Thank you,
Dylan P. Armstrong

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
February 10, 2020, 2:00 P.M.
Room 329
(Testimony is 2 pages long)

TESTIMONY IN STRONG SUPPORT OF HB 1520 HD1

Aloha Chair Takumi, Vice Chair Ichiyama, and Committee members:

Blue Planet Foundation **strongly supports** HB 1520 HD1, establishing an energy benchmarking requirement for commercial buildings above a certain size. This information will then be available to prospective buyers, lessees, or lenders so that they can make an informed choice about their monthly utility cost before committing to a property. **We believe that such a policy will help both consumers and businesses reduce energy costs while encouraging building owners and managers to reduce the carbon footprint of their buildings.**

Commercial building energy performance benchmarking is a foundational element of energy efficiency because **you can't manage what you don't measure.** Benchmarking energy use by regular measurement and disclosure has clear benefits for many stakeholders. Building owners understand how much electricity their properties use and can take steps to reduce wasted energy, helping them lower energy costs and stay competitive. Benchmarking data helps fill an information gap for commercial real estate firms and investors, providing everyone access to the same information. For tenants, benchmarking and disclosure provide valuable data to better understand energy use and make informed decisions.

Benchmarking benefits the entire community, too. Building performance data helps communities strategically meet energy efficiency and climate change reduction goals, by targeting energy efficiency rebates and incentives for buildings that have the most potential for savings. This is one reason why several U.S. cities—including Philadelphia, Chicago, San Francisco, New York, Washington, D.C, and most recently Boston—have adopted energy benchmarking and disclosure ordinances that require large buildings to benchmark energy use. In Boston, for example, large commercial buildings over 35,000 square feet and residential buildings with more than 35 units are required to report and disclose energy and water usage and greenhouse gas emissions. These cities are leveraging energy efficiency benchmarking, public accessibility to transparent data, and energy efficiency ratings to raise expectations and drive energy efficiency improvements throughout all building sectors.

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Building energy benchmarking serves as a powerful mechanism to measure energy performance of a single building over time, relative to other similar buildings, or to modeled simulations of a reference building built to a specific standard (such as an energy code). It facilitates energy accounting, comparing a facility's energy use to similar facilities to assess opportunities for improvement, and quantifying/verifying energy savings.

Benchmarking—and the energy efficiency tune-ups that it will foster—are job creators. **This legislation will essentially help Hawaii trade carbon emissions for jobs and money.** A benchmarking policy recently adopted by the city of Philadelphia is expected to create 600 job opportunities over five years. The opportunities will be for tune-up specialists, or inspectors, and workers to update building systems deemed in need of repairs.

House Bill 1520 proposes to use the industry-standard ENERGY STAR portfolio manager developed by the U.S. Environmental Protection Agency. Importantly, data is shared in a format that does not disclose any personally identifying information. **Blue Planet supports amendments proposed by the counties to clarify the benchmarking data requirements and expand the use of the utility "Green Button Connect" standard to streamline data transfer. We would be happy to work with this committee and the counties on these amendments.**

Blue Planet supports HB 1520 HD1 to help building owners, buyers, and lessees better understand the energy use of buildings and make informed choices.

Thank you for the opportunity to testify.

HB-1520-HD-1
Submitted on: 2/9/2020 10:50:19 PM
Testimony for CPC on 2/10/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Victoria Anderson	Individual	Support	No

Comments:

Please pass this important bill!

HB-1520-HD-1
Submitted on: 2/10/2020 5:28:55 AM
Testimony for CPC on 2/10/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Takumi and Members of the Committee on Consumer Protection and Commerce,

I am writing in support of HB1520 which requires energy consumption benchmarking for all nonresidential buildings. Requires disclosure of resulting, anonymized and aggregated benchmarking data to a prospective property buyer, lessee, or lender. (HB 1520 HD1)

Please support this bill.

Mahalo,

Caroline Kunitake

HB-1520-HD-1
Submitted on: 2/10/2020 8:20:39 AM
Testimony for CPC on 2/10/2020 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nanea Lo	Individual	Support	No

Comments:

Hello,

My name is Nanea Lo. I am a lifelong reisdent of Hawai‘i on O‘ahu. I am writing in to say I support this bill.

me ke aloha ‘Ä• ina,

Nanea Lo

LATE

183 Pinana St., Kailua, HI 96734 • 808-262-1285 • info@350Hawaii.org

To: The House Committee on Consumer Protection & Commerce
From: Brodie Lockard, Founder, 350Hawaii.org
Date: Monday, February 10 2020, 2:00 pm

In support of HB 1520 HD1

Dear Chair Takumi and members:

350Hawaii.org supports HB 1520 HD1.

Building energy benchmarking is the process of comparing a facility's energy usage against facilities of a similar type or function to identify opportunities for savings. It is a useful starting point for building owners and operators to target energy savings opportunities.

Prospective property buyers, lessees, and lenders should have access to as much energy information as possible before they invest in a property. Energy transparency can lead to enormous savings via energy efficiency, the cheapest, quickest, and cleanest way to reach Hawaii's goal of zero emissions.

Hawaii already requires benchmarking for public facilities and buildings. This bill would expand energy consumption benchmarking to all nonresidential buildings.

Please pass it and take one more step toward Hawaii's goal of zero emissions.

Brodie Lockard
Founder, 350Hawaii.org